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Ambassade du Canada

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July 8, 2010

The Honorable Anna G. Eshoo
U.S. House of Representatives
205 Cannon House Office Building
Washington, DC 20515-0514

Dear Congresswoman Eshoo,

I wanted to respond to your letter of June 23 to Secretary Clinton concerning the permitting process for TransCanada's Keystone XL (KXL) pipeline. Respecting that this decision is ultimately an internal matter, I urge you to consider KXL in the context of the broader Canada-U.S. relationship.

Canada, like the United States, is fully committed to addressing our collective climate change challenge. We recognize that reducing the environmental costs associated with energy development is of concern to our two countries, as the attached map of emissions from oil and gas and coal-fired power production demonstrates. That is why the United States and Canada have committed in January this year, under the auspices of the United Nations, to identical 17% reductions in GHG emissions by 2020. We have begun to implement parallel regulatory measures such as car and truck emission standards. Federal and provincial governments and industry are committing billions of dollars to carbon-capture and sequestration projects and are working closely with the Department of Energy on new technologies as part of our Clean Energy Dialogue. And the Government of Canada has announced stringent environmental performance standards both for new coal-fired electricity units and units at the end of their economic life.

Emissions per barrel from oil sands production – which have declined in intensity by 39% between 1990 and 2008 – now compare favourably to heavy crude from California and Venezuela. And we are serious about responsible energy development, which is why we are also addressing land and water use issues.

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UNITED STATES DEPARTMENT OF STATE
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Beyond our demonstrated commitment to sound environmental management, Canada is your largest and most reliable supplier of energy. Unlike some other suppliers, we work together with the United States internationally and are your ally, partner and friend. This is a win-win relationship that helps underpin our shared prosperity and security. In this vein, the strategic value of the oil sands resource to our continent cannot be overstated.

That value is enhanced, as recent studies by the Perryman Group and the Canadian Energy Research Institute have demonstrated, with the clear economic benefit that the KXL pipeline and investments like it provide. KXL has the potential to create 13,000 jobs, nearly \$21 billion in total spending and over half a billion dollars in tax revenues along the pipeline route during construction and development. This is distinct from the billions of dollars in added value to the U.S. economy and the 342,000 jobs projected to be created here from relying on the stable supply of oil that is on your doorstep. And that is a supply that comes through a regulated and secure transportation network, with strong support from state leaders and union workers throughout the Midwest.

I look forward to working with you as our governments make progress towards our reduction commitments.

Sincerely,



Gary Doer
Ambassador

cc: The Honorable Hillary Clinton, U.S. Secretary of State

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